

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: WESTMOUNT HEALTH FACILITY & COUNTRYSIDE ADULT HOME

DATE: MAY 25, 2007

COMMITTEE MEMBERS PRESENT: OTHERS PRESENT:

SUPERVISORS HASKELL
TESSIER
CHAMPAGNE
MASON
GERAGHTY
SOKOL
O'CONNOR

REPRESENTING WESTMOUNT HEALTH FACILITY:

BARBARA CLEMENTS, ADMINISTRATOR

BETSY HENKEL, COMPTROLLER

REPRESENTING COUNTRYSIDE ADULT HOME:

BRENDA HAYES, DIRECTOR

MICHAEL MCCARTHY, CPA, MCCARTHY & CONLON, LLP

HAL PAYNE, COMMISSIONER OF ADMINISTRATIVE AND
FISCAL SERVICES

JOAN SADY, CLERK OF THE BOARD

SUPERVISOR GIRARD

SUPERVISOR VANNESS

SUPERVISOR F. THOMAS

PHIL TUCKER, GREATER CAPITAL REGION BUILDING
TRADES COUNCIL

DENNIS GALLOWAY, LAKE GEORGE

MAURY THOMPSON, *THE POST STAR*

CHARLENE DiRESTA, LEGISLATIVE OFFICE SPECIALIST

Mr. Haskell called the meeting of the Westmount Health Facility & Countryside Adult Home Committee to order at 9:02 a.m.

Motion was made by Mr. Mason, seconded by Mr. Geraghty and carried unanimously to approve the minutes of the April 27, 2007 Committee meeting, subject to correction by the Clerk of the Board.

Privilege of the floor was extended to Barbara Clements, Administrator of Westmount Health Facility, who distributed copies of the Agenda to the Committee members; *a copy of the Agenda is on file with the minutes.*

Ms. Clements stated that Item No. 1 on the Agenda was the financial audit review for the year ending December 31, 2006 and she introduced Michael McCarthy, CPA (Certified Public Accountant), McCarthy & Conlon, LLP.

Mr. McCarthy reviewed the financial report, *a copy of which is on file with the minutes.* He apprised that Westmount Health Facility was in sound financial shape; however, they had a loss from operations of \$1,575,252 in 2006. He stated

that he would explain this figure further and asked the Committee to refer to the management letter within the Financial Report, *a copy of the management letter is on file with the minutes.*

Mr. McCarthy stated that until 2005, Westmount had rented their linens from a linen and laundry service. He added that once the co-generation plant was completed, the facility was able to do its own laundry, and the contract with the linen and laundry service was terminated. He further added that the facility had purchased their own linen; however, the cost of the linen was not added to their inventory. He suggested that Westmount determine what the value of the linen inventory was, and as the items were replaced, rather than expense their cost, accumulate the inventory on the linens, up to the amount that was representative of the linen inventory. He added that once the inventory was at the proper level, Westmount should expense replacements after that point.

Mr. McCarthy apprised that assets within Westmount were originally funded through Medicare/Medicaid. He continued that if an asset were sold, the proceeds from the sale of that asset needed to be reflected as revenue on Westmount's accounting books, and that revenue needed to be offset against the current year's depreciation expense.

Mr. McCarthy expounded that currently Westmount was calculating depreciation expenses manually. He suggested, if Westmount did not want to purchase depreciation software, they should at least use an Excel Spreadsheet. He added that he had informed Betsy Henkel, Comptroller for Westmount Health Facility, that he would provide her with an Excel Spreadsheet template to use, at no expense to Westmount.

Mr. McCarthy reminded the Committee that it was a requirement for 2008, to record the liability for post retirement benefits, primarily health insurance. He added that if the Committee had not already thought about making these calculations by the end of 2007, they should.

Returning to the discussion on the operating loss of \$1,575,252, Mr. McCarthy presented a cost-per-day comparison of expenses versus the amount of Medicaid reimbursement by department. He explained that this comparison allowed Westmount to focus on those departments that were the most under reimbursed. He added that this spreadsheet (the last page of the management letter) was a good management tool and was very informative.

Mr. Champagne and Mr. Payne entered the meeting at 9:12 a.m.

Mr. McCarthy apprised that the government was in the process of shifting the base year used for reimbursement schedules from 1983 to 2001. This was being delayed, he continued, because the federal government had not yet approved the changes to the State Medicaid Plan. He added that this was also delaying the IGT (Intergovernmental Transfers) money for 2006 and 2007, as well as the HCRA (Health Care Reform Act) grant funds. He further added that the 2006 IGT funds should be disbursed within the next couple of months and the 2007 IGT funds should be disbursed by the end of this year. He stated that the 2006 IGT funds would be significantly greater than the 2007 IGT funds.

Mr. McCarthy apprised that the State implemented a grant program specifically for County Nursing Home facilities. He added that this grant program was implemented in 2006 with a pot of \$5,000,000 being split between the County facilities. He further added that the pot would be \$15,000,000 for 2007, to be distributed by the end of June 2007.

Mr. Geraghty questioned the base for the Medicaid rate and Mr. McCarthy replied that it was a percentage based on 1983 costs; however, it would be based on 2001 costs once the change was approved.

Mr. Champagne questioned what impact the change would have on future revenues. Mr. McCarthy replied that the revenues for 2007 should be about \$200,000, growing to about \$400,000 in 2008.

Mr. Mason questioned when the facility would be at a break even point and Mr. McCarthy replied that they were moving in that direction. He clarified that Westmount was only an 80 bed facility, whereas a 120 bed facility was the minimal size facility recommended by the State to be fiscally viable.

Mr. Haskell apprised that a loss of \$1.5 million for the year was approximately \$19,000 per bed for the year. He added that this was less money than it took to send a child to school for the year in Warrensburg and added that he felt the money was well spent.

Discussion ensued.

Mr. Haskell thanked Mr. McCarthy for the report and Mr. McCarthy left the meeting at 9:25 a.m.

Ms. Clements expounded Item No. 2 on the Agenda was for two requests to amend the 2007 County budget to increase estimated revenues and appropriations in the amount of \$324 to reflect the receipt of HCRA (Health Care Reform Act) Recruitment and Retention Grant funds, to be used for advertising to fill the vacant Physical Therapist Assistant position and in the amount of \$985 to reflect the receipt of HCRA Recruitment and Retention Grant funds, to be used for advertising to fill the vacant nursing positions.

Motion was made by Mr. Mason, seconded by Mr. Tessier and carried unanimously to approve the requests to amend the 2007 County budget as presented above and to refer same to the Finance Committee. *A copy of the resolution request forms are on file with the minutes.*

Ms. Clements reported that Item No. 3 on the Agenda was a request for a Transfer of Funds in the amount of \$425 from supplies (EF.83500.5906 410) to office equipment (EF.83500.5830 220) in the amount of \$65 and furniture/furnishings (EF.83500.5802 210) in the amount of \$360, to reflect the purchase of a calculator, a Department Head board, two cork boards and a mailbox organizer.

Motion was made by Mr. Tessier, seconded by Mr. Champagne and carried unanimously to approve the request for a Transfer of Funds in the amount of \$425 from supplies (EF.83500.5906 410) to office equipment (EF.83500.5830 220) and furniture/furnishings (EF.83500.5802 210), and to refer same to the Finance Committee. *A copy of the request for Transfer of Funds is on file with the minutes.*

Ms. Clements stated that Item No. 4 on the Agenda was a request to amend the 2007 County budget to increase estimated revenues and appropriations in the amount of \$16,204 to reflect the receipt of the Nursing Home Quality Improvement Demonstration Grant funds, to be used for a compensation benefit project involving sick leave incentives for Nursing Department employees who do not use their sick time. Mr. Champagne questioned if the incentive program was showing a reduction in the use of sick time and Ms. Clements replied affirmatively.

Motion was made by Mr. Champagne, seconded by Mr. O'Connor and carried unanimously to approve the request to amend the 2007 County budget as presented above and to refer same to the Finance Committee. *A copy of the resolution request form is on file with the minutes.*

Ms. Clements expounded that Item No. 5 on the Agenda was a request to extend the contract with M. M. Hayes Company, Inc. for maintenance of Kronos payroll software, commencing July 1, 2007 and terminating June 30, 2008, for a yearly amount of \$1,821.

Motion was made by Mr. O' Connor, seconded by Mr. Sokol and carried unanimously to amend Resolution No. 466 of 2006, to extend the contract with M. M. Hayes Company, Inc. for maintenance of Kronos payroll software, commencing July 1, 2007 and terminating June 30, 2008, for a yearly amount of \$1,821. *A copy of the resolution request is on file with the minutes and the necessary resolution was authorized for the June 15, 2007 Board meeting.*

Ms. Clements expounded that Item No. 6 on the Agenda was a report on staffing levels and overtime usage. She explained that Westmount still had a vacant CNA (Certified Nursing Assistant) position on the 7:00 a.m. to 3:00 p.m. shift, a vacant RN (Registered Nurse) Relief position with a split rotating shift between the 3:00 p.m. to 11:00 p.m. shift and the 11:00 p.m. to 7:00 a.m. and a vacant RN position on the 11:00 p.m. to 7:00 a.m. shift.

Ms. Clements apprised that the overtime was caused by the other nurses filling in for the vacant positions. Mr. Geraghty asked if the overtime was done on a voluntary basis or if it was mandatory and Ms. Clements responded that per diems were utilized. Mr. Payne stated that it was within Westmount's right to utilize mandatory overtime; however, it had not been enforced for the last five years.

Mr. Geraghty questioned if Westmount should be doing something different to attract nurses to work there. Ms. Clements replied that there was a lack of nurses available and they were accepting higher paying positions. Mrs. Hayes stated that the want ads showed that at least three nursing homes currently had vacancies on the 3:00 p.m. to 11:00 p.m. shift. Mr. Mason stated that many of the hospitals were offering sign-on bonuses. Mr. Haskell replied that it was unlawful for a County facility to give sign-on bonuses. Mr. Payne reported that Westmount did not receive any response from the Adirondack Community College (ACC) Registered Nurse Program. Mr. Champagne noted that ACC had 30 nurses on the graduating list and that it was hard to believe that none of them were interested in working at Westmount. Ms. Clements apprised that she had been working with Todd Lunt, Director of Human Resources, on a flier that would state the benefits of working at Westmount, and could be given out to students in ACC nursing

classes. Mr. Haskell questioned if it was possible to obtain a list of students enrolled in the nursing classes at ACC and Mr. Champagne responded that he would obtain the list.

Mr. Tessier questioned if ACC kept track of the graduates and where they were employed. Mr. Payne apprised that a couple of years ago, Glens Falls Hospital went to ACC and hired every graduating nurse, offering a sign-on bonus. Ms. Clements stated that it was important to have the students do clinical work at Westmount Health Facility before they graduate. She added that the nurses would then have a relationship with Westmount and would be more likely to accept a position there once they had graduated. Mr. Tessier questioned if it was a requirement of nursing students to perform clinical work and Mr. Payne replied that it was; however, the students were doing the required hours of clinical work within the private sector. Mrs. Hayes apprised that she had done her clinical work at Westmount.

Mr. Sokol questioned if ACC still had job fairs and if it was possible for Westmount to obtain a booth at the job fair. Mr. Payne replied that ACC did still have the job fairs; however, they were held during spring break when the students were not in classes. Mr. Haskell asked Mr. Champagne to check on the list of ACC nursing students and requested that he report back to the Committee next month with his findings. Mr. Mason questioned if Westmount could arrange to have the nursing class tour the Westmount Facility during the school year and the consensus of the Committee was that a tour should be arranged.

Mr. Haskell apprised that the Memorial Day Service would be held Saturday, May 26, 2007 at 10:30 a.m. at Westmount Health Facility. He added that Senator Elizabeth Little would be attending.

Privilege of the floor was extended to Brenda Hayes, Director of Countryside Adult Home, who distributed copies of the Agenda to the Committee members; *a copy of the Agenda is on file with the minutes.*

Mrs. Hayes apprised that the insurance settlement on the truck that was damaged in the auto accident last month was \$12,018. She added that the truck that she was considering as a replacement was a Ford F-250, at a cost of \$17,925. She expounded that the plow mount from the old truck would not fit the new truck and a new plow mount would cost \$1,694.50. She apprised that she would like to add a lift gate to the truck at a cost of \$2,190, for the purpose of getting the

laundry onto the truck. She added that she had checked with Amy Clute, Administrator of Self Insurance, and discovered that the average back injury cost the County \$6,030. She further added that she felt the expense of the lift gate was worth not having employees out with back injuries.

Mrs. Hayes stated that the total cost of the truck with the plow mount and the lift gate would be \$21,809.50. She added that after the insurance settlement the remaining cost to Countryside would be \$9,791.50. She further added that the old truck would be sold at auction. She expounded that she did not have funds in the 2007 County budget to cover this expense.

Mrs. Hayes stated that Countryside was currently using the Westmount van for it's laundry transport. She added that this put the expense on Westmount and was not a viable solution. She asked how the Committee would like to proceed with regards to replacing the truck.

Motion was made by Mr. Champagne and seconded by Mr. Tessier to authorize the purchase of the Ford F-250, the plow mount and the lift gate, at a cost of \$21,809.50, using the \$12,018 from the insurance settlement, leaving a balance of \$9,791.50.

Mr. Champagne stated that he did not feel that there was any other choice. He added that he did not think a used truck would be a good solution due to the amount of use that the truck would get. Mr. Haskell apprised that the truck that Mrs. Hayes suggested was "bare bones" and he felt she did a good job in choosing the truck. Mr. O'Connor questioned if Countryside would purchase the F-150 which is a ½ ton or the F-250 which is a ¾ ton. Mrs. Hayes replied that she was told that the F-150 model was not suitable for the plow mount and lift gate. Mr. Tessier stated that he was not in favor of purchasing a used vehicle. Mr. Payne questioned where the balance of the funding would come from and the consensus of the Committee was to refer the issue to the Finance Committee to determine a source of funding.

Mr. Payne asked Mrs. Hayes if they had spent the capital funding that was intended to purchase furniture for the resident's rooms. Mrs. Hayes stated that she had only purchased some couches so far. She expounded that Countryside was a 60 bed facility and that each bedroom was required to have a bed, a dresser, a night stand, a closet and a locking door. She added that she did not have 60 beds available that met this criteria. She further added that she had

\$11,000 in the furniture fund that would cover the cost of the truck; however she would not be able to purchase the necessary furniture. Mr. Haskell stated that they wanted the facility to run at full capacity and that he felt the necessary furniture should be purchased. In response to a question on how many beds were currently occupied, Mrs. Hayes replied that Countryside was currently at 46. Mrs. Hayes apprised that she was also researching the possibility of starting an adult daycare program at Countryside.

Mr. Haskell called the question and the motion was carried unanimously to authorize the purchase of a Ford F-250, including a plow mount and lift gate, at a cost of \$21,809.50, using the \$12,018 from the insurance settlement, and to refer the question of the remaining \$9,791.50 to the Finance Committee for consideration.

Mrs. Hayes apprised that Countryside's 1999 Plymouth Voyager was in need of repairs totaling \$2,684.13. She added that based on the NADA pricing guide, the current value of the vehicle was \$2,775. She questioned the Committee if the vehicle should be repaired or sold at auction. She stated that she had spoken with Frank Morehouse, Superintendent of Buildings, about the green van that Countryside had been utilizing. She added that Mr. Morehouse had said that Countryside was the only user of the van and that he could assign the van to them. Mr. Haskell noted that funds would need to be included in the 2008 County budget for the purchase of a new van at Countryside. In answer to Mr. Champagne's question concerning the origin of the green van, Mr. Haskell replied that it was a left over Sheriff's van. Mrs. Hayes reported that the old Sheriff's car that Countryside owned, had a problem with the horn. She added that 3 or 4 horns had been put in the vehicle; however, she added, it still did not have an operational horn. She further added that the horn would work for a few days and then go off in the middle of the night for no apparent reason and no longer work. She stated that the vehicle was due for inspection in July and she had doubts that it would pass inspection without an operational horn.

Mrs. Hayes expounded that the Countryside's vehicles were utilized mostly to taxi patients to their appointments. She added that the number of appointments was approximately 2.37 appointments per day. She further added that the majority of the appointments were in the Glens Falls area; however, some appointments were in Albany or Saratoga. She apprised that she had discovered that Medicaid would provide transportation for the patients through taxi services. She added that she had sent Rebecca Reynolds, from the Medicaid division, information on which

residents were Medicaid patients and Ms. Reynolds was going to try to work with some taxi cab companies to see if their services could be used for some appointments.

Mr. Haskell agreed that Medicaid did pay for transportation. Mrs. Hayes stated that the use of taxi services would lighten the load on the need for vehicles, with the exception of urgent care needs. Mr. Sokol questioned if the taxi companies would give the County a price break and Mrs. Hayes answered that there would be no cost to the County as it would be billed straight to Medicaid.

Mrs. Hayes expounded that one of Countryside's part-time Food Servers was leaving in June. She added that she had been posting for the position since the beginning of May and had 2 applicants. She further added that she had hired someone effective June 4, 2007.

Ms. Hayes apprised that she had been approved for two per diem PCA (Personal Care Aide) positions in January; however she had only hired one. She added that she had only received 5 applications for the positions, the majority of which were not interested in the 11:00 p.m. to 7:00 a.m. position. She further added that one of her 11:00 p.m. to 7:00 a.m. employees would be out for 6 weeks due to surgery and that employee also had 3 weeks vacation remaining. She stated that one of the other 11:00 p.m. to 7:00 a.m. employees had 3 ½ weeks vacation remaining and the other had 2 ½ weeks vacation. She added that all of these vacations were scheduled between July and August. She stated that she would now have to hire the second per diem PCA in order to cover the shifts.

Mr. VanNess entered the meeting at 9:52 a.m.

Mrs. Hayes expounded that the 2007 County budget only allotted Countryside Adult Home \$28,348 for overtime for the year. She explained that coverage for the 12 holidays alone cost over \$26,000 in overtime pay, leaving her a little over \$2,000 for overtime for the year. She questioned the Committee as to what she could do to get more overtime funds built into her budget for 2008. Mr. Haskell stated that salaries were determined by the Treasurer's Office. Mr. Payne apprised that when each department received their budget they were not allowed to make changes to the overtime. Mr. Payne added that every year the salaries were increased 3%; however, overtime levels remained the same. He further added that other departments were also having issues with not enough overtime funds in the budget.

Messrs. Girard and F. Thomas entered the meeting at 9:55 a.m.

Ms. Hayes expounded that the cement pad in the back of Countryside Adult Home was cracked and needed to be replaced. She added that the Department of Health (DOH) had found Countryside in violation twice due to this issue. She further added that the Department of Public Works would be blacktopping the cement pad. She stated that she had DOH's approval to use blacktop in place of cement.

Mrs. Hayes presented a picture of the hot water tanks, which is included in the Agenda packet. She stated that at first they were having a problem with water that was too hot; however, now the problem was that it was too cold. She added that because of the way that the hot water tanks had been plumbed, no one could take a shower while dishes were being washed. She further added that DOH regulations state that the hot water temperature should be between 95-120 degrees. Mr. Haskell stated that he would ask for someone from the Department of Public Works to take a look at the hot water tanks.

Mr. Haskell suggested that the Committee meet at Countryside Adult Home next month and at Westmount Health Facility the following month.

Dennis Galloway, a resident of Lake George, asked if he was permitted to comment and Mr. Haskell said that his comments would be welcome. Mr. Galloway stated that he had been a Warren County resident for over sixty years and added that his late wife Ruth Galloway had been a patient at Westmount Health Facility for 13 years. He added that he would volunteer his time in any way it was needed in an attempt to attract nursing students to work at Westmount. He praised Westmount as one of the best Nursing Home facilities available in the County.

Ms. Clements stated that she was in the process of working on an open house and a tour packet to be handed out at ACC. Mr. Galloway stated that he felt this was a good idea.

Mr. Galloway apprised that if Westmount was operating at a loss of \$19,000 a year per patient, the County should not consider this to be an expense; they should consider it to be an asset.

As there was no further business to come before the Westmount Health Facility & Countryside Adult Home Committee, on motion made by Mr. Mason and

seconded by Mr. Sokol, Mr. Haskell adjourned the meeting at 10:03 a.m.

Respectfully submitted,

Charlene DiResta, Legislative Office Specialist